

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

WALDYR DA SILVA PRADO NETO,

Defendant.

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12-CV-07094 (KPF)

**RECEIVER'S MEMORANDUM OF LAW IN SUPPORT OF  
MOTION TO AUTHORIZE FIRST AND FINAL PAYMENT OF FEES  
AND EXPENSES AND TO DISCHARGE RECEIVER**

Scott M. Dimond, Court-appointed Receiver in the above-styled case (the "Receiver"), hereby seeks an order authorizing the payment of fees and expenses incurred by the Receiver and his law firm and by the Receiver's Retained Personnel in connection with this matter between February 10, 2014 and September 29, 2014 in the total amount of \$43,058.44. The Receiver also seeks an order discharging the Receiver.

**Background**

This Court's "Order Modifying Asset Freeze to Allow Sale of Defendant's Miami Real Property and Appointing Receiver to Sell the Real Property and Orderly Distribute Sale Proceeds" dated February 7, 2014 [D.E. 60] (the "Sale Order") appointed the undersigned to act as a fiduciary receiver for the purpose of securing and liquidating a condominium located at Redacted Aqua Avenue, Unit 703, Miami Beach, Florida, APN 02-3211-077-0290 (the "Property"). That appointment empowered the Receiver to take such actions as were reasonably necessary to realize the true and proper value of the Property.

The Sale Order also governs the payment of reasonable compensation and reimbursement of expenses incurred by the Receiver and his Retained Personnel as described in the U.S. Securities and Exchange Commission (the "Commission") Billing Instructions for Receivers in Civil Actions Commenced by the Commission (the "Billing Instructions"), with which the Receiver agreed to abide in connection with those efforts. *See* Sale Order, ¶ XVI. The Court authorized the filing of this motion and, if this motion is granted, the distribution of the net proceeds from the sale of the Property, in its Order Granting Receiver's Motion for Court Approval for Closing and Distribution of Sale Proceeds dated September 8, 2014 [D.E. 107].

Accordingly, the following is an overview of the various tasks the Receiver has undertaken in the course of taking control over and liquidating the Property since his appointment on February 7, 2014 for which the Receiver seeks compensation of fees and expenses:

1. personally inspected the Property and confirmed that it was empty and in good condition;
2. secured the Property by changing the locks and registering with the management office of the building in which the Property is located;
3. retained real estate transactional counsel, Michael Tobin, Esq. of Rothman & Tobin, P.A., to conduct a title search of the Property and to assist with the eventual sale transaction of the Property;
4. reviewed the title search together with counsel to ascertain the existence of any known liens, of which only the first mortgage held by Wells Fargo Bank, N.A. (the "Bank") was in evidence;

5. obtained an order granting a Motion to Intervene and Stay (the "Stay Motion") in the Florida state court case of *Wells Fargo Bank (NA) v. Waldyr Da Silva Prado Neto, et al.*, Case No.: 13-3890-CA-42 in order to avoid an ongoing foreclosure on the Property. Those efforts included working with counsel for the Bank to seek the Bank's acquiescence in the Receiver's Stay Motion and the ensuing sale and distribution process;

6. recorded a notice of *lis pendens* to provide additional notice to any persons potentially interested in the Property of the Receiver's rights with respect to the Property under the Sale Order;

7. retained Jill Hertzberg of Coldwell Banker -- one of Miami's premier realtors with extensive experience with the Miami Beach market in general and the condominium complex in which the Property is located in particular -- to market the Property;

8. selected three independent property appraisers to comply with the requirements of 28 U.S.C. §2001(b) and obtained this Court's approval to retain them;

9. listed the Property for sale and thereafter negotiated with prospective purchasers to finalize an acceptable contract for sale of the Property;

10. solicited, reviewed, and, where necessary, negotiated claims to the proceeds expected to be realized by the sale of the Property;

11. completed a closing on the sale of the Property; and

12. provided notice to all interested parties of the foregoing in accordance with this Court's Sale Order and subsequent orders. *See* Declaration of Scott M. Dimond, Exhibit A, at ¶ 5.

In addition, the Receiver directly engaged in the preparation of the following filings with this Court, all of which were necessary to comply with the Court's orders and to realize the true

and proper value of the Property while respecting the due process rights of any persons with an interest in the Property:

1. Motion to Modify Asset Freeze to Permit Sale of Defendant's Miami Real Property and supporting memorandum of law;
2. First Status Report of the Receiver;
3. Motion to Appoint Appraisers Pursuant to 28 U.S.C. §2001(b) and supporting memorandum of law;
4. Motion for Extension of Time to file the Receiver's Motion for the Private Sale of Real Property and supporting memorandum of law;
5. Notice of Filing Contract in Compliance with the Court's Sale Order;
6. Motion for Court Approval of Private Sale Pursuant to 28 U.S.C. § 2001(b) and supporting memorandum of law;
7. Motion for Court Approval of Procedure for Closing and Distribution of Sale Proceeds and supporting memorandum of law; and
8. Notice of Filing of Final HUD-1 in Compliance with the Court's Order Granting governing the closing and distribution of sale proceeds. *See* Exhibit A at ¶ 6.

The Receiver also traveled to New York for two hearings in this matter: (1) the June 25, 2014 hearing on the Receiver's Motion for Court Approval of Private Sale Pursuant to 28 U.S.C. §2001(b); and (2) the September 8, 2014 hearing on the Receiver's Motion for Court Approval for Closing and Distribution of Sale Proceeds. Finally, the undersigned maintained extensive contact with counsel for the Commission throughout this process to ensure that the Receiver's efforts were compliant with all pertinent Court orders and Commission procedures.

As a result of the closing on the sale of the Property, the Receiver currently is holding funds totaling \$599,867.09. *See* Notice of Filing of Final HUD-1 [D.E. 109]. The Receiver is therefore requesting, pursuant to the Court's prior orders, that the Court approve a distribution from those funds the amount of \$43,129.81 to the Receiver, with the remaining balance of \$556,737.28 to be distributed to the Commission, and that the Receiver be discharged.

### Argument

The work the Receiver was appointed to do in this case has been accomplished. As set forth in paragraph XVI of the Sale Order, the Receiver is authorized to seek compensation for his activities from this Court. As reflected in the attached invoices, the total amount of fees and expenses being sought by the Receiver and his law firm along with the Receiver's Retained Personnel (including Michael Tobin, Esq. of Rothman & Tobin, P.A. and the three appraisers approved by this Court) from the inception of this receivership to its conclusion is \$43,129.81. *See* February 2014 through September 2014 Invoices, attached as Composite Exhibit B.

The foregoing totals reflect time charged at heavily reduced hourly rates in accordance with the Receiver's proposal to the Commission's counsel. *See* Exhibit A at ¶ 11. Specifically, for purposes of this representation, the Receiver reduced his and his partner's attorney rates from a range of \$500 to \$350 per hour to a blended rate of \$260 per hour. *See* Exhibit A at ¶ 12. Further, the Receiver certifies that his costs and expenses -- including the fees of the Receiver's Retained Personnel including Michael Tobin of Rothman & Tobin, P.A. and the three appraisers -- were discounted where possible and, in any event, were reasonable and appropriate.

The Receiver certifies that the fees and expenses sought herein were incurred in the best interests of the Receivership estate and that the Receiver has not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of

compensation paid or to be paid from the Receivership estate, or any sharing thereof. The Receiver further certifies that to the best of his knowledge, information, and belief formed after reasonable inquiry all fees and expenses requested herein are true and accurate, such fees are reasonable, necessary, and commensurate with the skill and experience required for the activity performed, and that they otherwise comply with the Billing Instructions with which the Receiver agreed to abide. *See* Exhibit A at ¶ 14.

Finally, the Receiver has discussed the relief requested herein with the Commission's counsel and is authorized to represent to this Court that, after reviewing the time records and other materials submitted herewith, the Commission does not oppose the relief sought in this motion. *See* Exhibit A at ¶ 15. In conjunction with the submission of these materials, the Receiver also submitted the accounting set forth in the Standardized Fund Accounting Report (the "SFAR") to the Commission. *See* SFAR, attached as Exhibit C.

Wherefore, Scott M. Dimond, as Court-appointed Receiver, respectfully requests that this Court enter an order: (1) authorizing a distribution for payment to the Receiver of compensation and expenses in the amount of \$43,128.81 (which includes the fees and costs of the Receiver's Retained Personnel); (2) authorizing distribution to the Commission of the remaining balance of the Receivership account, expected to be at least \$556,737.28; and (3) discharging the Receiver.

Respectfully submitted,

By: 

Scott M. Dimond, Esq.

Fla. Bar No.: 995762

Sdimond@dkrpa.com

Dimond Kaplan & Rothstein, P.A.

2665 South Bayshore Drive, PH-2B

Coconut Grove, Florida 33133

Telephone: (305) 374-1920

Facsimile: (305) 374-1961

# **EXHIBIT A**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

WALDYR DA SILVA PRADO NETO,

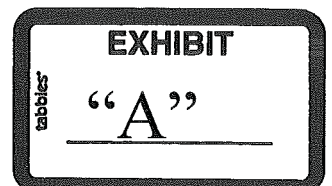
Defendant.

12-CV-07094 (KPF)

**RECEIVER'S DECLARATION IN SUPPORT OF  
MOTION TO AUTHORIZE FIRST AND FINAL PAYMENT  
OF FEES AND EXPENSES AND TO DISCHARGE RECEIVER**

I, Scott M. Dimond, pursuant to 28 U.S.C. §1746, declare as follows:

1. I was appointed by the United States District Court for the Southern District of New York in S.D. N.Y. Case No. 12-CIV-7094 as receiver over real property located at Redacted Aqua Avenue, Unit 703, Miami, Florida (the "Property") pursuant to this Court's "Order Modifying Asset Freeze to Allow Sale of Defendant's Miami Real Property and Appointing Receiver to Sell the Real Property and Orderly Distribute Sale Proceeds" dated February 7, 2014 [D.E. 60] (the "Sale Order").
2. More specifically, by its Sale Order, this Court appointed me to act as a fiduciary receiver for the limited purpose of securing and liquidating the Property.
3. That appointment empowered me to take such actions as were reasonably necessary to maximize the Property's value.





4. My efforts to market and sell the Property resulted in an April 17, 2014 contract to sell the Property for \$1,205,000 (the "Contract").
5. Prior to effectuating the sale of the Property, I undertook the following tasks in the course of taking control over and liquidating the Property since my February 7, 2014 appointment by this Court:
  - a. personally inspected the Property and confirmed that it was empty and in good condition;
  - b. secured the Property by changing the locks and registering with the management office of the building in which the Property is located;
  - c. retained real estate transactional counsel, Michael Tobin, Esq. of Rothman & Tobin, P.A., to conduct a title search of the Property and to assist with the eventual sale transaction of the Property;
  - d. reviewed the title search together with counsel to ascertain the existence of any known liens, of which only the first mortgage held by Wells Fargo Bank, N.A. (the "Bank") was in evidence;
  - e. obtained an order granting a Motion to Intervene and Stay (the "Stay Motion") in the Florida state court case of *Wells Fargo Bank (NA) v. Waldyr Da Silva Prado Neto, et al.*, Case No.: 13-3890-CA-42 in order to avoid an ongoing foreclosure on the Property. Those efforts included working with counsel for the Bank to seek the Bank's acquiescence in the Receiver's Stay Motion and the ensuing sale and distribution process;

- f. recorded a notice of *lis pendens* to provide additional notice to any persons potentially interested in the Property of the Receiver's rights with respect to the Property under the Sale Order;
  - g. retained Jill Hertzberg of Coldwell Banker -- one of Miami's premier realtors with extensive experience with the Miami Beach market in general and the condominium complex in which the Property is located in particular -- to market the Property;
  - h. selected three independent property appraisers to comply with the requirements of 28 U.S.C. §2001(b) and obtained this Court's approval to retain them;
  - i. listed the Property for sale and thereafter negotiated with prospective purchasers to finalize an acceptable contract for sale of the Property;
  - j. solicited, reviewed, and, where necessary, negotiated claims to the proceeds expected to be realized by the sale of the Property;
  - k. completed a closing on the sale of the Property; and
  - l. provided notice to all interested parties of the foregoing in accordance with this Court's Sale Order and subsequent orders.
6. In addition, I directly engaged in the preparation of the following filings with this Court, all of which were necessary to comply with the Court's orders and to realize the true and proper value of the Property while respecting the due process rights of any persons with an interest in the Property:
- a. Motion to Modify Asset Freeze to Permit Sale of Defendant's Miami Real Property and supporting memorandum of law;
  - b. First Status Report of the Receiver;

- c. Motion to Appoint Appraisers Pursuant to 28 U.S.C. §2001(b) and supporting memorandum of law;
  - d. Motion for Extension of Time to file the Receiver's Motion for the Private Sale of Real Property and supporting memorandum of law;
  - e. Notice of Filing Contract in Compliance with the Court's Sale Order;
  - f. Motion for Court Approval of Private Sale Pursuant to 28 U.S.C. § 2001(b) and supporting memorandum of law;
  - g. Motion for Court Approval of Procedure for Closing and Distribution of Sale Proceeds and supporting memorandum of law; and
  - h. Notice of Filing of Final HUD-1 in Compliance with the Court's Order Granting governing the closing and distribution of sale proceeds.
7. I also traveled to New York for two hearings in this matter: (1) the June 25, 2014 hearing on the Receiver's Motion for Court Approval of Private Sale Pursuant to 28 U.S.C. §2001(b); and (2) the September 8, 2014 hearing on the Receiver's Motion for Court Approval for Closing and Distribution of Sale Proceeds.
8. Finally, I maintained extensive contact with counsel for the Commission throughout this process to ensure that my efforts were compliant with all pertinent Court orders and Commission procedures.
9. As a result of the closing on the sale of the Property, I currently am holding funds totaling \$599,867.09.
10. In compliance with paragraph XVI of the Sale Order, I am authorized to seek compensation for my activities from this Court. As reflected in the invoices attached at Exhibit B to the Memorandum of Law in Support of Motion to Authorize First and Final

Payment of Fees and Expenses and to Discharge Receiver ("Memorandum of Law"), the total amount of fees and expenses I and my law firm along with my Retained Personnel (including Michael Tobin, Esq. of Rothman & Tobin, P.A. and the three appraisers approved by this Court) incurred from the inception of this receivership to its conclusion is \$43,129.81, as reflected in Composite Exhibit B to the Memorandum of Law.


11. The foregoing totals reflect time charged at heavily reduced hourly rates in accordance with my proposal to the Commission's counsel.
12. Specifically, for purposes of this representation, I reduced my and my partner's attorney rates from a range of \$500 to \$350 per hour to a blended rate of \$260 per hour.
13. Further, I certify that my costs and expenses -- including the fees of the Receiver's Retained Personnel including Michael Tobin of Rothman & Tobin, P.A. and the three appraisers -- were discounted where possible and, in any event, were reasonable and appropriate.
14. Further still, I certify that the fees and expenses sought herein were incurred in the best interests of the Receivership estate and that I have not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership estate, or any sharing thereof. I further certify that to the best of my knowledge, information, and belief formed after reasonable inquiry all fees and expenses requested herein are true and accurate, such fees are reasonable, necessary, and commensurate with the skill and experience required for the activity performed, and that they otherwise comply with the Commission's Billing Instructions for Receivers with which I agreed to abide.

15. Finally, I have discussed the relief requested herein with the Commission's counsel and I am authorized to represent to this Court that, after reviewing the time records and other materials submitted herewith, the Commission does not oppose the relief sought in this motion. In conjunction with the submission of these materials, I also submitted the accounting set forth in Standardized Fund Accounting Report (the "SFAR"), attached as Exhibit C to the Memorandum of Law.

16. I therefore am requesting, pursuant to the Court's prior orders, that the Court approve a distribution from those funds in the amount of \$43,129.81 to myself, with the remaining balance of \$556,737.28 to be distributed to the Commission, and that I be discharged as the Court-appointed Receiver in this matter.

I declare under penalty of perjury that the foregoing is true and correct.

Executed: Miami, Florida  
Date: October 7, 2014

By:   
Scott M. Dimond, Esq.

# **EXHIBIT B**

**Dimond Kaplan & Rothstein, P. A.**

2665 S. Bayshore Drive  
Penthouse 2B  
Coconut Grove, FL 33133

Invoice submitted to:

Securities and Exchange Commission

October 03, 2014

In Reference To: Securities and Exchange Commission v. Waldyr DaSilva Prado  
Neto  
U.S. S.D. N.Y. Case No.: 12-CV-07094

Invoice #6053

File No: 1845.003

Professional Services

		<u>Hours</u>	<u>Amount</u>
2/10/2014	SMD E-mails with David Brown regarding appointment and service of order; E-mails with Prado counsel regarding same;	0.20	52.00
2/13/2014	RL Review of email and discussion with Scott M. Dimond regarding nature of matter.	0.40	NO CHARGE
2/14/2014	SMD Conference with Robert E. Linkin regarding securing premises; Receive and review email regarding same;	0.40	104.00
	RL Call and email to Claudia Flores at Aqua. Discussion with Scott M. Dimond regarding same. Review of Order appointing Scott M. Dimond Receiver. Discussion with Scott M. Dimond about necessary steps to effectuate and carry out Receivership Order.	1.00	260.00
2/18/2014	LMP Telephone conference with Scott Dimond regarding Notice of Lis Pendens; exchange emails with Robert Linkin regarding same; research regarding property; prepare, edit, review Notice of Lis Pendens	0.50	130.00
	SMD Conference with Robert E. Linkin and Lorenz M. Prüss regarding strategic planning and research (.3); Telephone conference with David Brown regarding same (.2); E-mails regarding unit access and offers (.2); E-mails and conference with Michael Tobin regarding retaining real estate lawyer (.3); Telephone conference (message) with Jill Eber regarding retaining real estate agent (.1); Inspect property; Conference with property management office (2.5)	3.60	936.00
	RL Reach out to property manager regarding visit (.2). Telephone conference with property manager. Meeting with property manager at property and inspection of property with Scott M. Dimond (2.5); Exchange emails with Lorenz M. Prüss regarding Lis Pendens (.1)	2.80	728.00



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			<u>Hours</u>	<u>Amount</u>
2/19/2014	LMP	Discuss with Scott Dimond and Robert E. Linkin regarding foreclosure materials; exchange emails with counsel regarding foreclosure docket	0.30	78.00
	RL	Complete research regarding judicial sale (1.6). Telephone conference with Scott M. Dimond and Michael Tobin regarding judicial sale (.3)	1.90	494.00
	SMD	Telephone conference and e-mails with Michael Tobin regarding retention of real estate lawyer; Conference with Robert E. Linkin regarding preparation of Motion to Approve Sale; Discuss with Lorenz M. Prüss regarding foreclosure materials	0.50	130.00
2/20/2014	SMD	Revise Notice of Lis Pendens; Telephone conference (message) with broker	0.10	26.00
2/21/2014	SMD	Conference with Robert E. Linkin regarding research and Motion to Intervene; Receive and review same	0.30	78.00
	RL	Discussion with Scott M. Dimond (.1). Complete research regarding Receivership sale of property and draft motion pursuant to 28 USC 2001 (2.0)	2.10	546.00
2/22/2014	SMD	Revise Motion for Private Sale; Conference with Robert E. Linkin regarding same;	0.50	130.00
	RL	Discussion with Scott M. Dimond regarding procedure for judicial sale under Federal Receivership law.	0.10	26.00
2/24/2014	LMP	Discuss with Scott Dimond regarding intervention (.1); prepare, edit, review Motion to Intervene; review receivership filings (1.1)	1.20	312.00
	SMD	Conference with Lorenz M. Prüss regarding Motion to Intervene; Receive and review same	0.30	78.00
2/25/2014	SMD	E-mails regarding title search; review and execute retainer; Review and execute pass-key documents	0.60	156.00
	RL	Review of multiple emails from Michael Tobin regarding tile search	0.20	NO CHARGE
2/26/2014	SMD	Telephone conference with David Brown regarding status (.3); Finalize and file Motion to Intervene and Stay (1.3); E-mail with Michael Tobin regarding appraiser (.1)	1.70	442.00
2/27/2014	SMD	E-mails regarding appraisal; Revise Motion to select appraiser, approve sale, schedule hearing on Motion to Intervene and Stay	0.50	130.00
3/7/2014	SMD	E-mail regarding trust account (.1); Telephone conference with Michael Missal regarding Wells Fargo response to Motion to Stay (.2); Telephone conference with Realtor (.2); E-mails regarding appraiser revisions (.1); Prepare receiver's report, Motion to Appoint Appraisers (2.0)	2.60	676.00



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			<u>Hours</u>	<u>Amount</u>
3/8/2014	SMD	Review listing agreement; Prepare Receiver's Report; E-mails regarding same	0.90	234.00
3/9/2014	SMD	E-mails regarding appraiser resumé; Telephone conference (message) realtor's office	0.10	26.00
3/10/2014	LMP	Review, edit correspondence to Court regarding Motion to Intervene; Review Receiver's First Report; review email exchange between Receiver and Wells Fargo regarding lack of opposition to motion to intervene	0.50	130.00
	RL	Review of first Receiver's Report per Scott M. Dimond (.4). Conference with Scott M. Dimond regarding same; Email to and from Aqua management regarding unit (.3)	0.70	182.00
	SMD	Revise Receiver's report (2.5); Emails regarding same (.1); E-mails regarding appraiser (.1); Conference with Robert E. Linkin regarding condo accounts (.1); Conference with Jill Hertzberg regarding listing agreement (.2); Conference and emails with Robert E. Linkin regarding transponders (.2); E-mails regarding bank account (.1)	3.30	858.00
3/11/2014	LMP	Review email from counsel for Wells Fargo regarding hearing (.1); discuss with Robert Linkin and Scott M. Dimond regarding federal over state authority (.7); review Motion to Intervene; prepare, edit, review Order on Motion to Intervene, hearing outline (.1); Exchange emails with counsel for association regarding Motion to Intervene; research regarding federal statute on jurisdiction of judgments (.6)	1.50	390.00
	RL	Meeting with Lorenz Pruss regarding case law and Motion to Intervene.	0.30	78.00
	SMD	Execute listing agreement (.2); E-mails regarding same (.1); E-mails regarding Receiver's report (.1); E-mails regarding Motion to Stay (.1); Telephone conference with Michael Missal, Darren Ellis, and William Frayagel regarding same (.4); Conference with Lorenz M. Prüss regarding same (.2); Review proposed order regarding same (.5)	1.60	416.00
3/12/2014	LMP	Prepare for and attend hearing on Motion to Intervene	1.30	338.00
	SMD	Attend hearing on Motion to Intervene and Stay state court action (1.8); Telephone conference with Jill Hertzberg's office regarding listing agreement, key (.2); Telephone conference and e-mails (message) regarding listing price (.2); E-mails regarding bank account (.1)	2.30	598.00
3/13/2014	LMP	Review, edit Motion to Appoint Appraisers; review resumes; discuss with Scott Dimond regarding same; draft email to David Brown regarding same	0.50	130.00
	SMD	Conference with Lorenz M. Prüss regarding Appraisers motion; Revise same; E-mails regarding same;	0.40	104.00

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		<u>Hours</u>	<u>Amount</u>
3/14/2014	LMP Review, edit Motion for Appointment of Appraisers, Memorandum of Law, Declaration regarding same local rules and practices regarding same(1.9); prepare, edit, review Order Granting Motion; exchange emails with David Brown regarding same (.1); exchange emails with Scott Dimond regarding same (.1); review resumes in support of motion (.4)	2.50	650.00
	SMD Conference and emails with Lorenz M. Prüss and David Brown regarding Motion to Appoint Appraisers	0.30	78.00
3/17/2014	SMD Telephone conference and e-mails with realtors regarding list price	0.30	78.00
3/18/2014	SMD E-mail with Jill Hertzberg regarding listing; Receive and review construction notice	0.10	26.00
3/26/2014	SMD Telephone conference (message) and emails with broker regarding offers	0.10	26.00
3/27/2014	SMD Telephone conference and e-mails with Danny Hertzberg regarding offer; E-mails with David Brown regarding same	0.50	130.00
3/28/2014	SMD E-mails with Lorenz M. Prüss regarding contacting court	0.10	26.00
	LMP E-mails regarding court	0.10	26.00
3/29/2014	SMD E-mail with Lorenz M. Prüss regarding contacting court	0.10	26.00
	LMP E-mails with Scott M. Dimond regarding contacting court	0.10	26.00
3/31/2014	SMD Telephone conference with (message) David Brown	0.10	26.00
4/1/2014	SMD Telephone conference and e-mails with Daniel Hertzberg regarding offer; Telephone conference with David Brown regarding same	0.50	130.00
4/2/2014	SMD Review sales contract; E-mails with Michael Tobin and Daniel Hertzberg regarding same	0.90	234.00
4/4/2014	SMD E-mails regarding revisions to offer	0.20	52.00
4/5/2014	SMD E-mails regarding revision to contract	0.70	182.00
4/6/2014	SMD E-mail with Michael Tobin regarding contract revisions	0.10	26.00
4/7/2014	SMD E-mails regarding revisions to sales contract; Telephone conference with Michael Tobin regarding same; Revise same; Telephone conference with (message) Daniel Hertzberg regarding same;	1.00	260.00
4/8/2014	SMD E-mails regarding revised contract; Telephone conference (message) Judge's chambers regarding unredacted motion; E-mails with Lorenz M. Prüss regarding same;	0.60	156.00

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			<u>Hours</u>	<u>Amount</u>
4/8/2014	LMP	Review email from Scott Dimond regarding judicial inquiry; telephone conference with Jessica Fisher regarding inquiry; exchange emails with SEC counsel regarding same	0.40	104.00
4/9/2014	SMD	E-mails regarding revisions to sales cotntract	0.50	130.00
4/10/2014	SMD	E-mails regarding proposed contract; Receive and review disclosure statement	0.50	130.00
4/11/2014	SMD	E-mails regarding proposed contract; Emails with association counsel regarding status	0.20	52.00
4/14/2014	SMD	E-mails regarding contract; Telephone conference with David Brown regarding Notice of Hearing, Motion for Approval, Notice obligations	0.90	234.00
4/15/2014	SMD	E-mails regarding final contract; E-mails regarding association disclosure; Telephone conference with Michael Tobin regarding same;	0.80	208.00
4/16/2014	SMD	E-mails regarding condo disclosure; Telephone conference (message) David Brown regarding same;	0.30	78.00
	LMP	Review email exchanges regarding sales contracts	0.10	26.00
4/17/2014	SMD	Receive & review condominium announcement	0.10	26.00
4/18/2014	SMD	Conference with Lorenz M. Prüss regarding Notice, service obligations; E-mails regarding condo documents; E-mails regarding Notice obligations	0.80	208.00
	LMP	Research regarding judicial sale; Conference with Scott M. Dimond regarding same;	0.40	104.00
	RL	Review of email from Scott M. Dimond regarding Condominium documents. Call to Aqua Spear management office regarding same. Email to Scott M. Dimond.	0.20	52.00
4/21/2014	SMD	Receive & review proposed notice (.7); Conference with Lorenz M. Prüss regarding same (.1); Receive and review filed Notice (.1); E-mails regarding research into form of order (.1); Receive and review order granting retention of appraisers (.1); E-mails regarding inspection, FPL change (.2)	1.30	338.00
	LMP	Review email from David Brown regarding Notice strategy; prepare, edit, review Notice of Filing; discuss with Scott Dimond regarding same; review email from David Brown regarding Order Granting Motion to Appoint Appraisers; exchange emails with David Brown regarding Notice of Filing	0.70	182.00
	RL	Review of emails from Scott Dimond regarding administrative issues related to sale of Prado property. Emails to Daniel Hertzberg regarding same.	0.30	78.00

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			<u>Hours</u>	<u>Amount</u>
4/22/2014	SMD	E-mails regarding Notice of Contract	0.60	156.00
	LMP	Prepare, edit, review Notice of Sale; review, edit proposed service language; discuss with Scott Dimond regarding same; exchange emails with David Brown regarding same	0.50	130.00
4/23/2014	SMD	Prepare Notice email; Conference and emails with Lorenz M. Prüss regarding same; E-mails regarding fire inspection	0.70	182.00
	LMP	Review proposed communications; review Notice of Sale	0.30	78.00
4/24/2014	LMP	Prepare, edit, review Motion for Enlargement of Time (0.3); prepare, edit, review Memorandum of Law (0.6); research regarding authority for Memorandum of Law (0.4); exchange emails with Realtor regarding appraisers (0.1); exchange emails and telephone conference with appraisers (0.6); telephone conference with David Brown regarding timing of filings (0.2); draft email to David Brown regarding same (0.1); Conference with Scott M. Dimond regarding same (.1);	2.20	572.00
	SMD	Conference with Lorenz M. Prüss regarding Motion to Approve, retention of appraisers; E-mails regarding fee inspection, condo docs	0.70	182.00
	RL	Emails with Daniel Hertzberg regarding administrative issues relating to sale of Prado property.	0.20	52.00
4/25/2014	SMD	E-mails regarding FPL and appraiser access; Conference with Lorenz M. Prüss regarding same	0.30	78.00
4/26/2014	SMD	E-mails regarding FPL (fire issue)	0.10	26.00
	RL	Review of email from Scott M. Dimond regarding Prado unit and FPL.	0.10	NO CHARGE
4/28/2014	SMD	Prepare Motion for Enlargement; Conference with Lorenz M. Prüss regarding same, appraisers; E-mails regarding inspection	0.90	234.00
	LMP	Review, edit filings regarding Motion for Enlargement of Time; exchange emails with SEC regarding same; conference with Scott M. Dimond regarding same	0.40	104.00
	RL	Emails with Daniel Hertzberg regarding administrative issues related to sale of Prado property. Emails with Scott M. Dimond regarding same.	0.30	78.00
4/29/2014	SMD	E-mails regarding proposed order; E-mails regarding signed order, appraiser access and reports; Conference with Lorenz M. Prüss regarding same;	0.60	156.00
	LMP	Prepare, edit, review Order Granting Motion for Enlargement of Time; draft email to SEC regarding same; review Order Granting Motion for Enlargement of Time; exchange emails with Jorge Hernandez regarding retention; review appraisals status; exchange emails with	0.60	156.00

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		<u>Hours</u>	<u>Amount</u>
	appraisers regarding completion dates; conference with Scott M. Dimond regarding same.		
5/1/2014	SMD E-mails regarding inspection	0.10	26.00
5/2/2014	LMP Review appraisal by Jorge Hernandez; exchange emails with appraisers regarding status	0.40	104.00
	SMD Telephone conference and e-mails with Danny Hertzberg regarding inspection report; Receive and review affidavit; E-mails regarding service of court documents	0.60	156.00
5/5/2014	SMD E-mails regarding appraisal, fire inspection	0.20	52.00
5/6/2014	SMD Receive & review second appraisals; E-mails and telephone conference with Daniel Hertzberg regarding mold inspection; Telephone conference with David Brown regarding Motion to Approve Sale	0.90	234.00
5/7/2014	LMP Emails with Scott M. Dimond regarding notice	0.10	NO CHARGE
	SMD E-mails with Danny Hertzberg regarding price affidavit; E-mails with Michael Tobin regarding same; Revise sale notice; E-mails with Lorenz M. Prüss regarding same;	0.90	234.00
5/8/2014	SMD Revise sales notice; E-mail regarding addendum	0.20	52.00
5/9/2014	LMP Review, edit Notice, Memorandum of Law, Correspondence; review email exchanges between Scott Dimond, David Brown regarding same	0.50	130.00
	SMD Revise Motion to Approve Sale, memo in support of sale motion, and request to court requesting hearing (2.3); Telephone conference and e-mails with David Brown regarding same (.3);	2.60	676.00
5/10/2014	SMD E-mails regarding commission comments to filings	0.10	26.00
5/12/2014	LMP Telephone conference and e-mails with Scott M. Dimond regarding sale motion	0.20	NO CHARGE
	SMD Telephone conference and e-mails with Lorenz M. Prüss regarding sale motion; E-mail regarding amendment to contract	0.30	78.00
5/13/2014	SMD Revise Memorandum of Law in Support of Sale Motion, Declaration and letter to Judge (1.1); E-mails regarding same (.2); E-mails regarding proposed order (.1); Receive and review filed documents (.1); E-mails regarding title commitment (.1)	1.60	416.00
5/14/2014	SMD E-mails regarding service of sale motion; Telephone conference with Judge's chambers regarding hearing date; E-mails with David Brown regarding same; E-mails regarding escrow letter	0.40	104.00

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		<u>Hours</u>	<u>Amount</u>
5/15/2014	SMD E-mails regarding condo approval, hearing, service	0.40	104.00
5/16/2014	LMP Prepare service emails; exchange emails with Scott Dimond regarding same; exchange emails with David Brown regarding same; review emails exchanged between SEC / Third Parties regarding same	0.50	130.00
	SMD E-mails regarding Notice, certificate of service	0.90	234.00
5/19/2014	SMD E-mails regarding affidavit of service; Conference with Lorenz M. Prüss regarding certificate of service; E-mail regarding condo construction	0.80	208.00
	LMP Review email from David Brown regarding service; prepare, edit, review Affidavit of Service review service emails; Conference with Scott M. Dimond regarding same;	0.50	130.00
5/20/2014	SMD Telephone conference and e-mails with Aqua manager's office regarding a/c	0.10	26.00
5/21/2014	SMD E-mails regarding Aqua management	0.10	26.00
5/22/2014	SMD E-mails regarding closing on unit	0.30	78.00
5/23/2014	SMD E-mails regarding condo rules	0.10	26.00
5/28/2014	SMD Receive & review construction notices	0.10	26.00
5/29/2014	SMD E-mails regarding hearing	0.10	26.00
5/30/2014	SMD Conference with Lorenz M. Prüss regarding notice	0.10	26.00
	LMP Discuss with Scott Dimond regarding notice obligations	0.10	26.00
6/1/2014	SMD E-mails with Michael Tobin regarding status	0.10	26.00
6/2/2014	SMD E-mails regarding regulation	0.10	26.00
	LMP Exchange emails with Susan Cavallone regarding proof	0.10	26.00
6/4/2014	SMD E-mails regarding certificate of publication notice; Conference with Lorenz M. Prüss regarding same;	0.20	52.00
	LMP Conference with Scott M. Dimond regarding publication notice	0.10	26.00
6/6/2014	SMD E-mails regarding potential construction damage	0.10	26.00
	LMP Review, edit Affidavit of Service regarding publication	0.30	78.00
6/9/2014	SMD Revise declaration; Conference with Lorenz M. Prüss regarding same; E-mails regarding paintings	0.60	156.00

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		<u>Hours</u>	<u>Amount</u>
6/9/2014	LMP Conference with Scott M. Dimond regarding declaration	0.10	26.00
6/10/2014	SMD E-mails regarding communication with Buyer	0.10	26.00
6/11/2014	SMD E-mails with Danny Hertzberg regarding communication with buyer	0.10	26.00
6/16/2014	LMP Review outstanding obligations	0.10	26.00
6/17/2014	SMD Telephone conference with Seaside bank regarding receivership account; Emails regarding hearing; Conference with Lorenz M. Prüss regarding tax ID	0.40	104.00
	LMP Draft email to David Brown regarding hearing; exchange emails with Susan Cavallone regarding availability; research regarding tax id number issue; discuss with Scott Dimond regarding same	0.40	104.00
6/18/2014	SMD E-mails from Association regarding vehicle registration	0.10	26.00
6/20/2014	SMD Prepare for hearing; Emails regarding bank account and water issue	0.20	52.00
6/23/2014	SMD Prepare for hearing (1.0); Emails with David Brown regarding same (.1); prepare notice of change of hearing time (.2); E-mails regarding sale issues (.2)	1.50	390.00
6/24/2014	SMD E-mails regarding hearing (.2); Prepare affidavit of Service of hearing date (.3); Emails regarding same (.1); Travel to NY for sale motion hearing (3.8); Conference with David Brown regarding same (.5);	4.90	1,274.00
6/25/2014	SMD Prepare for and attend hearing on sale motion (3.5); Conference with David Brown regarding same (.5); Emails with Danny Herzberg and Michael Tobin regarding same (.1); Travel to Miami (4.2)	8.30	2,158.00
6/26/2014	SMD E-mails regarding order; Proposed distribution plan (.3); Receive and review Notice of Status Conference	0.90	234.00
6/27/2014	SMD E-mails regarding Claims process, closing, air conditioning units	0.50	130.00
6/30/2014	SMD E-mails regarding affidavit of service; Prepare same	0.50	130.00
7/1/2014	SMD Finalize affidavit of service (.2); Emails regarding same (.1); Emails regarding Aqua claim (.2); E-mails regarding closing (.2); Telephone conference with David Brown regarding same (.2); Telephone conference with Michael Tobin regarding same (.3)	1.20	312.00
7/2/2014	SMD E-mails with Michael Tobin regarding closing issue	0.20	52.00
7/3/2014	SMD E-mails with Michael Tobin and David Brown regarding timing of closing; E-mails with agents regarding closing	0.50	130.00
7/6/2014	SMD E-mail with Michael Tobin regarding closing schedule	0.10	26.00



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			<u>Hours</u>	<u>Amount</u>
7/7/2014	SMD	Telephone conference and e-mails with Michael Tobin regarding closing procedure; E-mails with Agents regarding amendment to contract	0.70	182.00
7/9/2014	SMD	Receive and review SEC claim; E-mails regarding closing date	0.20	52.00
7/10/2014	SMD	E-mail with David Brown regarding SEC and Wells Fargo claims; Telephone conference with Michael Missal (message) regarding same;	0.30	78.00
7/11/2014	SMD	Telephone conference with Michael Missal regarding Wells Fargo claim	0.20	52.00
7/16/2014	SMD	Telephone conference with Michael Missal regarding Wells Fargo claim; Prepare Motion to Disburse; Telephone conference and e-mails with David Brown regarding same;	0.60	156.00
7/17/2014	SMD	Telephone conference (message) with Damon Ellis regarding Wells Fargo claim; E-mails regarding transcript	0.10	45.00
7/18/2014	SMD	Telephone conference with Damon Ellis regarding Wells Fargo claim	0.30	78.00
7/21/2014	SMD	E-mails with Michael Tobin regarding amendment	0.10	26.00
7/22/2014	SMD	E-mails with William Fryvogel regarding closing	0.10	26.00
7/23/2014	SMD	E-mails regarding unit maintenance	0.10	26.00
7/24/2014	SMD	E-mails regarding closing, association claim; Receive and review timesheet	0.20	52.00
7/28/2014	SMD	Telephone conference with Damon Ellis regarding Wells Fargo claim	0.10	26.00
7/29/2014	SMD	E-mails regarding Wells Fargo claim	0.10	26.00
7/30/2014	SMD	Telephone conference and e-mails with Michael Tobin's office regarding closing	0.20	52.00
8/1/2014	LMP	Review emails between Scott Dimond, David Brown regarding distribution protocol; review, edit Motion regarding same; Conference with Scott M. Dimond regarding same;	0.50	130.00
	SMD	Telephone conference and e-mails with David Brown regarding Distribution Motion (.3); Revise same (4.1); Telephone conference and e-mails with Michael Tobin regarding same (.2); Conference with Lorenz M. Prüss regarding same (.1);	4.70	1,222.00
8/2/2014	LMP	Review emails from counsel regarding distribution protocol	0.10	26.00
	SMD	E-mails regarding HUD strategy; Revise Motion to Approve Distribution	0.20	52.00



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		<u>Hours</u>	<u>Amount</u>
8/4/2014	SMD	Revise Receiver's memorandum and order in support of distribution (4.5); Conference with Lorenz M. Prüss regarding same (.1); Telephone conference (x2) and e-mails real estate counsel regarding same (.3); Telephone conference and e-mails with David Brown regarding same (.3);	5.20 1,352.00
	LMP	Prepare, edit, review Motion to Approve Closing Process; prepare, edit, review Declaration in support thereof; discuss with Scott Dimond regarding same; review sales materials	1.00 260.00
8/5/2014	SMD	Revise memo, declaration and order regarding distribution motion (2.1); Conference with Lorenz M. Prüss regarding same (.1); E-mails with David Brown regarding same (.1); Emails with Michael Tobin regarding same (.1);	2.40 624.00
	LMP	Review proposed filings regarding distribution protocol; Conference with Scott M. Dimond regarding same;	0.50 130.00
8/6/2014	SMD	Prepare affidavit of service; Emails regarding same; Emails regarding time for hearing; Conference with Lorenz M. Prüss regarding same; Emails regarding balcony repairs	0.70 182.00
	LMP	Conference with Scott M. Dimond regarding service	0.10 26.00
8/7/2014	SMD	E-mails regarding service; Prepare for hearing	0.20 52.00
8/8/2014	SMD	E-mails regarding balcony repairs	0.10 26.00
8/12/2014	SMD	E-mails regarding a/c units	0.10 26.00
8/17/2014	SMD	E-mails regarding service of motion	0.10 26.00
8/18/2014	SMD	E-mails regarding status	0.10 26.00
8/19/2014	SMD	E-mails regarding filing deadlines	0.10 26.00
	LMP	Review emails exchanged between counsel regarding notice; review notice protocols	0.20 52.00
8/20/2014	SMD	E-mails regarding bank account; Telephone conference with David Brown regarding same, scheduling; E-mails regarding closing date	0.50 130.00
8/21/2014	SMD	E-mails regarding receivership bank account	0.20 52.00
8/22/2014	SMD	E-mails regarding a/c	0.10 26.00
8/23/2014	SMD	E-mails with Michael Tobin regarding status of closing	0.10 26.00
8/25/2014	SMD	E-mails regarding closing date; Telephone conference (message) regarding receivership account	0.20 52.00

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		<u>Hours</u>	<u>Amount</u>
8/26/2014	SMD Emails regarding addendum; Email regarding condo issue	0.30	78.00
8/28/2014	SMD Telephone conference and e-mails with banker regarding receivership account; Conference with Lorenz M. Prüss regarding filing deadlines	0.40	104.00
	LMP Conference with Scott M. Dimond regarding case filings	0.10	26.00
8/29/2014	SMD Telephone conference with Michael Tobin regarding addendum	0.20	52.00
9/2/2014	SMD E-mails regarding addendum; Emails regarding Seller's disclosure	0.60	156.00
9/3/2014	SMD E-mails regarding addendum; Emails regarding seller's disclosure; Conference regarding order, hearing preparation	0.60	156.00
9/4/2014	SMD Prepare for hearing (.5); Emails regarding addendum (.1); E-mails regarding bank account (.1); Prepare seller's disclosure (.8)	1.50	390.00
	LMP Review materials for hearing	0.30	78.00
9/5/2014	SMD Finalize hearing binder (1.1); E-mails and telephone conference with Michael Tobin regarding closing addendum (.2); Emails regarding inspection (.1); Emails regarding proposed order (.2)	1.60	416.00
9/7/2014	SMD Travel to NY (4.2); Prepare for hearing (1.2); Conference with David Brown regarding same (.4);	5.80	1,508.00
9/8/2014	SMD Prepare for and attend hearing on distribution motion (2.1); Conference with David Brown regarding same (.4); Emails and telephone conference with Michael Tobin regarding closing issues (.5); Travel to MIA (4.4); E-mails regarding certified order (.3)	7.70	2,002.00
9/9/2014	SMD E-mails regarding certified order closing, revised HUD-1; Telephone conference with Michael Tobin regarding same; Emails with David Brown regarding certified order	0.80	208.00
9/10/2014	SMD E-mails regarding service of order; Serve order; Prepare affidavit of service; Emails regarding same; Emails regarding closing issues	1.00	260.00
	LMP Prepare, edit, review Declaration; discuss with Scott Dimond regarding service of Order	0.30	78.00
	LMP Prepare, edit, review Declaration; discuss with Scott Dimond regarding service of Order	0.30	78.00
9/11/2014	SMD E-mails regarding final P-off figures; Email regarding A/c	0.30	78.00
9/12/2014	SMD Attend closing (3.5); Emails and telephone conference Michael Tobin regarding same (.4); Emails with David Brown regarding same (.2); Telephone conference with buyer agent regarding keys (.1)	4.20	1,092.00
9/14/2014	SMD E-mails regarding association claim	0.10	26.00

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	<u>Hours</u>	<u>Amount</u>
9/15/2014 LMP Prepare, edit, review Notice of Filing	0.30	78.00
9/16/2014 SMD E-mails regarding Association interest, claim	0.20	52.00
9/17/2014 SMD E-mails regarding association claim, wire	0.40	104.00
9/18/2014 SMD E-mails regarding resolution of association claim; Receive and review association estoppel letter	0.40	104.00
LMP Review emails between counsel regarding HUD;	0.30	78.00
9/19/2014 SMD E-mails regarding HUD-1, wire transfer (.2); Prepare notice of filing, HUD-1 (1.1)	1.30	338.00
9/22/2014 SMD E-mails with David Brown regarding HUD-1; Receive and review filed notice; Emails with Lawrence Kaizen regarding wire	0.60	156.00
SMD Serve notice of filing HUD-1; Prepare affidavit of service; Emails regarding same; Telephone conference with Michael Tobin regarding same	0.80	208.00
9/29/2014 SMD E-mails with association counsel	0.10	26.00
<b>Subtotal of charges</b>		<b>\$37,615.00</b>
<b>For professional services rendered</b>	<b>145.60</b>	<b>\$37,615.00</b>
Additional Charges :		
2/18/2014 Parking		4.50
2/19/2014 Aqua Allison Island		125.00
Cerrajeria Los Gemelos Locksmith		95.00
2/20/2014 Recording Fee - Miami Dade County Clerk of Court		9.00
Parking		4.50
2/28/2014 Online Westlaw research charge for February 2014.		NO CHARGE
3/6/2014 Rothman & Tobin, P.A. - Inv.45478		862.50
3/7/2014 Esquire Express, Inc. - Inv.133520		133.52
3/10/2014 Esquire Express, Inc. - Inv.133520		19.72
3/16/2014 Steinotype, Inc. - Inv. 2009		95.00
3/31/2014 Research charge for March 2014.		NO CHARGE

## Securities and Exchange Commission

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	<u>Amount</u>
4/24/2014 Hallmark Appraisal, Inc. - File#2014362	650.00
4/28/2014 Jorge Hernandez - Certified County Appraisers, Inc.	650.00
4/30/2014 Online Westlaw research charge for April 2014.	NO CHARGE
5/6/2014 Waronker & Rosen, Inc. - Inv. 7790	1,000.00
5/16/2014 Fedex - Inv.2-666-14184	24.02
5/22/2014 Orbitz - Airfare	288.00
5/28/2014 Orbitz - Hotel	480.00
5/31/2014 Westlaw research expense for May 2014.	NO CHARGE
6/23/2014 American Airlines	406.00
6/24/2014 NYC Taxi	57.90
G-Miami Food	11.68
Lupa Restaurant New York	114.18
6/25/2014 Toll Plaza Sunpass	34.00
LaGuardia Figs Cafe	22.29
Healthy Gourmet	6.48
Balthazar Restaurant New York	50.00
6/26/2014 The James New York	87.70
6/30/2014 Online Westlaw research expense for June 2014.	NO CHARGE
7/31/2014 Scan charge for July 2014.	3.70
8/6/2014 Fedex - Inv.2-745-40153	24.87
8/7/2014 Orbitz - Hotel	440.77
American Airlines	379.20
9/10/2014 Fedex - Inv.2-781-69406	23.91
9/12/2014 Esquire Express, Inc. - Inv.136393	21.37
9/26/2014 Rothman & Tobin - Fees at closing	1,500.00
10/3/2014 Expected bank wire fees	50.00

Securities and Exchange Commission

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	<u>Amount</u>
<b>Total costs</b>	<b>\$7,674.81</b>
<b>Total amount of this bill</b>	<b>\$45,289.81</b>
6/24/2014 50% Discount for travel time	(\$494.00)
6/25/2014 50% Discount for travel time	(\$548.00)
9/7/2014 50% Discount for travel time	(\$546.00)
9/8/2014 50% Discount for travel time	(\$572.00)
<b>Total payments and adjustments</b>	<b>(\$2,160.00)</b>
<b>Balance due</b>	<b>\$43,129.81</b>

# EXHIBIT C

**STANDARIZED FUND ACCOUNTING REPORT ("SFAR") - Cash Basis****REPORT FOR Scott M. Dimond, as Receiver***Securities and Exchange Commission v. Waldyr Da Silva Prado Neto***Civil Court Docket No. 12 CIV 7094 (KPF)****Reporting Period 02/10/14 to 10/03/14****FUND ACCOUNTING**

<b>Beginning Balance (as of 09/14/14)</b>	<b>\$0.00</b>
---	---------------

***Increases in Fund Balance***

Personal Asset Liquidation (As per HUD attached as Exhibit "1")	591,262.32
Negotiated Association Refund	7,841.80
Expected refund for overpayment of mortgage	750.00
Interest	12.97

<b><i>Total Funds Available</i></b>	<b><u>599,867.09</u></b>
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***Decreases in Fund Balance*****Proposed Disbursements for Receivership Operations**

## Third-Party Litigation Expenses

Legal Fees	35,455.00
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Costs:	7,674.81
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Scanning/Bates-Stamping	3.70
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Filing Fees	9.00
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Expected bank wire fees	50.00
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Transcripts	95.00
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Photocopies:	125.00
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Delivery Services	247.41
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Meals	292.33
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Travel	2,085.87
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Experts	2,362.50
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Other Expenses (parking, appraisals, locksmith)	2,404.00
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<b>TOTAL COSTS</b>	<b>7,674.81</b>
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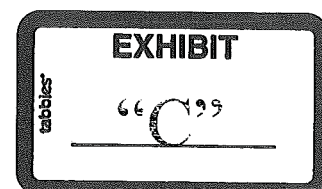
Total Third-Party Litigation Expenses	<u>43,129.81</u>
---------------------------------------	------------------

<b><i>Total Proposed Disbursements for Receivership Operations</i></b>	<b><u>43,129.81</u></b>
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**Proposed Disbursements to Court/Other**

Disbursement to United States Securities and Exchange Commission	<u>556,737.28</u>
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<b>Expected Ending Balance (as of 10/04/14)</b>	<b><u>\$0.00</u></b>
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HUD-1

OMB Approval No. 2502-0265

## A. Settlement Statement (HUD-1)

## B. Type of Loan

<input type="radio"/> 1. FHA	<input type="radio"/> 2. RHS	<input type="radio"/> 3. Conv. Unins.	6. File Number 14-030	7. Loan Number Redacted 5455	8. Mortg. Ins. Case Num.
<input type="radio"/> 4. VA	<input type="radio"/> 5. Conv. Ins.			ID:	

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. NAME OF BORROWER:	Luis M. Arguello, Sr. and Maria E. Arguello, husband and wife
Address of Borrower:	Aqua Avenue #703, Miami Beach, Florida 33141 Redacted
E. NAME OF SELLER:	Scott M. Dimond, as equity receiver appointed by the Court in the case of Securities and Exchange Commission v. Wallyr Da Silva Prado Neto, S.D.N.Y. Case No. 12-CV-7094, pending in the United States District Court for the Southern District of New York
Address of Seller:	2665 South Bayshore Dr., Penthouse 2B, Miami, Florida 33133
F. NAME OF LENDER:	First American Bank
Address of Lender:	PO Box 307, 201 S. State Street, Hampshire, Illinois 60140
G. PROPERTY LOCATION:	Aqua Avenue, Unit 703, Miami Beach, Florida 33141-5877 Redacted
H. SETTLEMENT AGENT:	Rothman & Tobin, P.A.
Address:	11900 Biscayne Boulevard, Suite 740, Miami, Florida 33181
Place of Settlement:	11900 Biscayne Boulevard, Suite 740, Miami, Florida 33181
I. SETTLEMENT DATE:	9/12/14
	DISBURSEMENT DATE: 9/12/14
	Phone: 305-895-3226

I. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross amount due from borrower:		400. Gross amount due to seller:	
101. Contract sales price	1,206,000.00	401. Contract sales price	1,206,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (Line 1400)	25,012.73	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance:		Adjustments for items paid by seller in advance:	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Master Assessments from 09/12/14 to 09/30/14	571.10	408. Master Assessments from 09/12/14 to 09/30/14	571.10
109. Spear Association Assessments from 09/12/14 to 09/30/14	647.74	409. Spear Association Assessments from 09/12/14 to 09/30/14	647.74
110.		410.	
111.		411.	
112.		412.	
120. Gross amount due from borrower:	1,232,231.57	420. Gross amount due to seller:	1,207,218.84
201. Deposit or earnest money	23,600.00	601. Expense deposits (see instructions)	
202. Principal amount of new loan(s)	604,600.00	602. Settlement charges to seller (line 1400)	131,316.36
203. Existing loan(s) taken subject to		603. Existing loan(s) taken subject to	
204. Principal amount of second mortgage		604. Payoff of first mortgage loan	473,650.39
205. Lender paid credit report fee	3.27	605. CMB Final Inspection Fee	242.66
206.		606.	
207. CMB Final Inspection Fee	242.66	607.	
208. Principal amt of mortgage held by seller		608. Principal amt of mortgage held by seller	
209. Credit from Seller	1,000.00	609. Credit to Buyer	1,000.00
209a.		609a.	
Adjustments to amount due from borrower:		Adjustments to amount due to seller:	
210. City/town taxes		510. City/town taxes	
211. County taxes from 01/01/14 to 09/12/14	9,848.11	511. County taxes from 01/01/14 to 09/12/14	9,848.11
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total paid by/for borrower:	1,036,194.04	520. Total reductions in amount due seller:	616,956.52
301. Gross amount due from borrower (line 120)	1,232,231.57	601. Gross amount due to seller (line 420)	1,207,218.84
302. Less amount paid by/for the borrower (line 220)	(1,036,194.04)	602. Less total reductions in amount due seller (line 520)	(616,956.52)
303. Cash ( <input checked="" type="checkbox"/> From <input type="checkbox"/> To ) Borrower:	196,037.53	603. Cash ( <input checked="" type="checkbox"/> To <input type="checkbox"/> From ) Seller:	631,262.32

The public reporting burden for this collection of information is estimated to average 35 minutes per response, including reviewing, collecting existing data, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

EXHIBIT

"1"



HUD-1

U.S. Department of Housing and Urban Development

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Settlement Charges				Paid from Borrower's Funds at Settlement	Paid from Seller's Funds at Settlement
700. Total Real Estate Broker Fees	\$60,250.00				
Division of commission (line 700) as follows:					
701. \$ 30,125.00	to Coldwell Banker RE				
702. \$ 30,125.00	to One Sotheby's International Realty				
703. Commission paid at settlement					60,250.00
704.					
705.	to				
706.	to				
800. Items Payable to Grantor(s) at Settlement					
801. Our origination charge	0.00	(from GFE #1)			
802. Your credit or charge (points) for the specific interest rate chosen	0.00	(from GFE #2)			
803. Your adjusted origination charges	0.00	(from GFE #1)		0.00	
804. Appraisal fee	to Accurate Title Group	(from GFE #3)		425.00	
805. Credit report	to Equifax	(from GFE #3)		3.27	
806. Tax service	to	(from GFE #1)			
807. Flood certification	to Accurate Title Group	(from GFE #3)		6.00	
808.	to				
809.	to				
810.	to				
811.	to				
812.	to				
813.	to				
900. Items Required by Lender to be Paid in Advance					
901. Daily interest charges from	to @ 0.00 day	(from GFE #10)		0.00	
902. Mortgage insurance premium for	months to	(from GFE #5)			
903. Homeowner's Insurance premium for	years to Bluestone Insurance	(from GFE #11)		3,310.38	
904. Flood Insurance premium for	years to				
905. Owners Title Insurance	years to				
1000. Escrow Charges					
1001. Initial deposit for your escrow account		(from GFE #9)		14,151.83	
1002. Homeowner's Insurance	2 months @ \$275.87 per month	\$551.74			
1003. Mortgage insurance	months @ per month				
1004. Property taxes	13 months @ \$1,132.15 per month	\$14,717.95			
1005. Flood Insurance	months @ per month				
1006.	months @ per month				
1007.	months @ per month				
1008.	months @ per month				
1009. Aggregate accounting adjustment		(\$1,117.86)			
1101. Title services and lender's title insurance		(from GFE #4)		1,111.60	
1102. Settlement or closing fee	to Rothman & Tobin, P.A.	\$450.00			450.00
1103. Owner's title insurance	to Stewart Title Guaranty Company/Rothman & Tobin, P.A. (from GFE #5)				6,500.00
OPM-6500.00					
1104. Lender's title insurance	to Stewart Title Guaranty Company/Rothman & Tobin, P.A. \$861.50				
MPS-25.00; 4.1-25; 3-25; 4.3-58; 1.00; B.1-20					
1105. Lender's title policy limit \$904,500.00					
1106. Owner's title policy limit \$1,206,000.00					
1107. Agent's portion of the total title insurance premium \$4,350.30	to Rothman & Tobin, P.A.				
1108. Underwriter's portion of the total title insurance premium \$1,801.20	to Stewart Title Guaranty Company				
1109. Abstract or title search	to Rothman & Tobin, P.A.				300.00
1110. Attorneys Fee	to Rothman & Tobin, P.A.				
1111.	to				
1112.	to				
1113.	to				
1200. Government Recording Charges					
1201. Government recording charges		(from GFE #7)		81.00	
1202. Deed \$18.50	Mortgage(s) \$42.50	Releases \$0.01		\$71.00	
1203. Transfer taxes		(from GFE #8)		4,974.75	
1204. City/County tax/stamps	Deed \$0.00	Mortgage(s) \$1,800.00			
1205. State tax/stamps	Deed \$7,200.01	Mortgage(s) \$3,180.75			
1206. Certificate of Approval	to Simplifile			\$10.00	
1207. recording Court Order approving Sale	to Simplifile				
1208. E-Recording	to Simplifile				
1300. Other Services					
1301. Required services that you can shop for		(from GFE #6)		\$50.00	
1302. Lien Search	to Reliable Lien Search				100.00
1303. Attorney Fee	to Florida Secured Title LLC	\$650.00			
1304. Master Association Dues Thru S	to Aqua Master-Spear				26,774.78
1305. Spear at Aqua Association Dues	to Spear at Aqua Condo				30,372.30
1306. Combined National Title and K.E.	to Stewart Title Guaranty Company				3.20
1307.	to				
1308.	to				
1309.					
(Enter on lines 103, Section J and 502, Section K)				23,012.73	131,315.38

\* POC (B) = Paid outside of closing by borrower

\* POC (S) = Paid outside of closing by seller

\*\* The exception rate option was used in this file

## SETTLEMENT CHARGES AND LOAN TERMS

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## Settlement Charges

Charge	Item Number	Amount	APR
Our origination charge	# 801	\$0.00	\$0.00
Your credit or charge (points) for the specific interest rate chosen	# 802	\$0.00	\$0.00
Your adjusted origination charges	# 803	\$0.00	\$0.00
Transfer taxes	# 1203	\$13,416.75	\$4,974.75

Charge	Item Number	Amount	APR
Government recording charges	# 1201	\$241.00	\$81.00
Appraisal fee	# 804	\$425.00	\$425.00
Credit report	# 805	\$3.27	\$3.27
Flood certification	# 807	\$5.00	\$8.00
<b>Total</b>		<b>\$874.27</b>	<b>\$514.27</b>
Total Settlement Charges: \$100.00 or 2.73%			

Charge	Item Number	Amount	APR
Initial deposit for your escrow account	# 1001	\$12,055.75	\$14,151.83
Daily interest charges from	# 901	\$0.00	\$0.00
Homeowner's Insurance premium for	# 903	\$0.00	\$3,310.38
Owners Title Insurance	# 905	\$8,590.00	
Title services and lender's title insurance	# 1101	\$1,550.00	\$1,111.50
Attorney Fee	# 1303	\$0.00	\$950.00

## Loan Terms

Your initial loan amount is	\$ 904,500.00
Your loan term is	10.0000 years
Your initial interest rate is	3.75 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ 4,190.08 Includes <input checked="" type="checkbox"/> Principal <input checked="" type="checkbox"/> Interest <input type="checkbox"/> Mortgage insurance
Can your interest rate rise?	<input checked="" type="radio"/> No <input type="radio"/> Yes, it can rise to a maximum of .00%. The first change will be on _____ and can change again every _____. Every change date, your interest rate can increase or decrease by .00%. Over the life of the loan, your interest rate is guaranteed to never be lower than .00% or higher than .00.
Even if you make payments on time, can your loan balance rise?	<input checked="" type="radio"/> No <input type="radio"/> Yes, it can rise to a maximum of \$ .00
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="radio"/> No <input type="radio"/> Yes, the first increase can be on _____ and the monthly amount owed can rise to \$ .00. The maximum it can ever rise to is \$ .00
Does your loan have a prepayment penalty?	<input checked="" type="radio"/> No <input type="radio"/> Yes, your maximum prepayment penalty is \$ .00
Does your loan have a balloon payment?	<input type="radio"/> No <input checked="" type="radio"/> Yes, you have a balloon payment of \$ 710,808.71 in 10 years on 08/12/2024.
Total monthly amount owed including escrow account payments	<input type="radio"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input checked="" type="radio"/> You have an additional monthly escrow payment of \$ 1,455.18 that results in a total initial monthly amount owed of \$ 5,645.24. It includes principal, interest, any mortgage insurance and any items checked below: <input checked="" type="checkbox"/> Property taxes <input checked="" type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/>

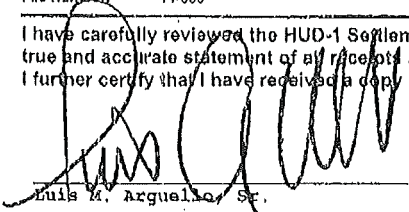
Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

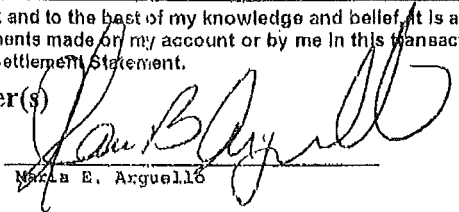
## HUD-1 SETTLEMENT STATEMENT ADDENDUM

File Number: 14-039

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

**Borrower(s)**

  
Luis M. Arguello, Sr.

  
Maria E. Arguello

**Seller(s)**

Scott M. Dimond, as equity receiver appointed by the Court

By: 

Scott M. Dimond  
Receiver

**Settlement Agent**

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Rothman & Tobin, P.A.

By: 

Date: 9/12/14

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.